Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAX) was up 4.4% year-over-year (y/y) in January, due mainly to increased business activity. Alberta's real GDP by expenditure fell by 3.7% in 2016, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,318,772 as of January 1, 2018, an increase of 1.4% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 5,599 in the fourth quarter of 2017. During this time, Alberta welcomed 5,297 net international migrants, while there was a net inflow of interprovincial migrants (+302) f the second consecutive quarter after eight quarters of outflows.

Employment[1]

The economy added 8,300 jobs in March, the strongest monthly job gains so far in 2018. Employment rose 1.8% y/y, reflecting employment gains in both self-employment (+5.3% y/y) and full-time work (+2.5% y/y).

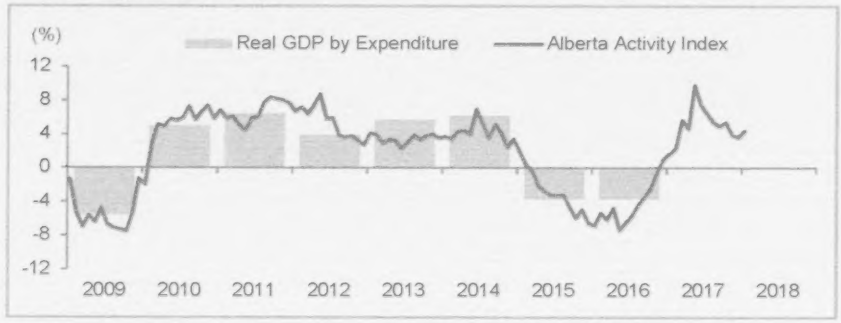
Unemployment Rate[1]

The strong employment gain pushed Alberta's unemployment rate down by 0.4 percentage point to 6.3% in March. Canada's unemployment rate stood unchanged at 5.8%.

Rigs Drilling

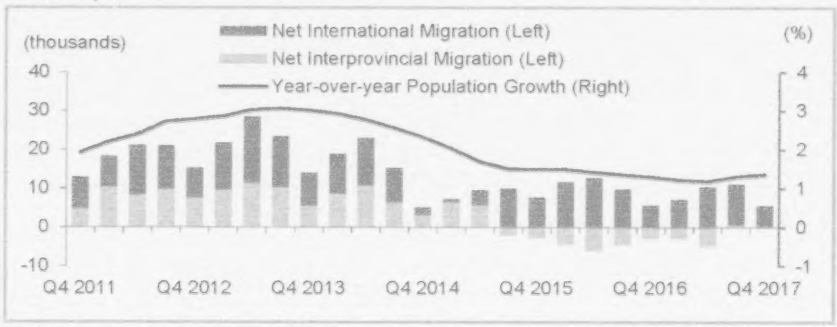
The number of active rigs in Alberta averaged 142 in March, down 4.0% y/y. The average rig utilization rate was 34%, unchanged from a year ago.

Economic Activity
Year-over-year % change



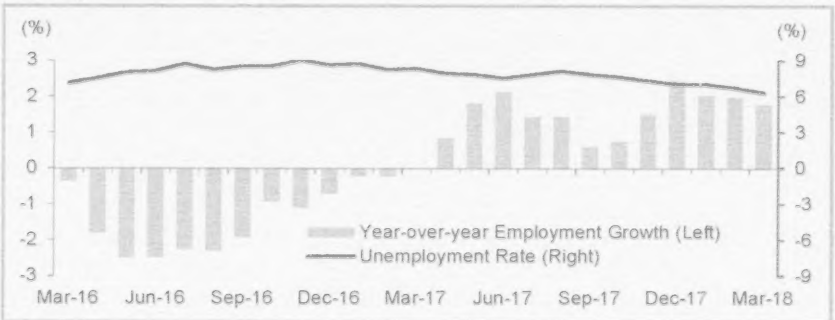
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

NEW: Inflation

The annual Inflation rate in Alberta ticked higher by 0.1 percentage point to 2.3% y/y in March. Inflation excluding food and energy prices ticked 0.2 percentage point lower to 1.3% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta ticked down by 0.1% m/m in January to $1,147. Earnings increased 3.1% y/y driven by increased earnings in both the goods and services sectors.

NEW: Retail Sales[1]

Alberta retail sales decreased 0.3% m/m to $6.7 billion in February. Retail sales were up 0.7% y/y, the fifteenth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts rose by 14.0% m/m in March to 26,972 units (annualized). They were down 22.6% y/y, as declines in multi-family (-38.8% y/y) overwhelmed gains in single-family starts (+6.7% y/y).

New Housing Price Index

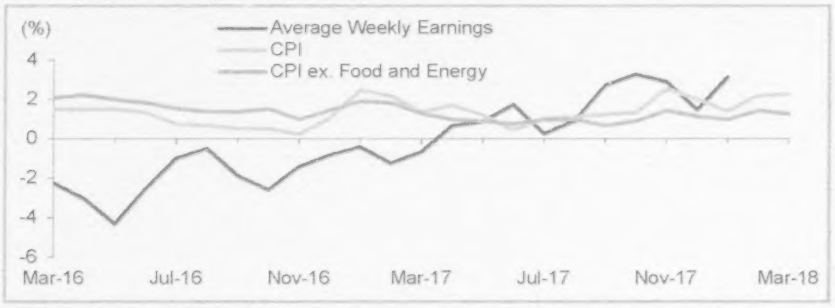
In January, Alberta's New Housing Price Index (NHPI) ticked down 0.2% y/y. The house-only component fell (-0.6% y/y) while land prices were up (+0.6% y/y).

Building Permits[1]

Alberta building permits were up 13.2% y/y in February to $1.3 billion, as increased residential permits (+25.1% y/y) more than offset a decline in non-residential permits (-4.3% y/y).

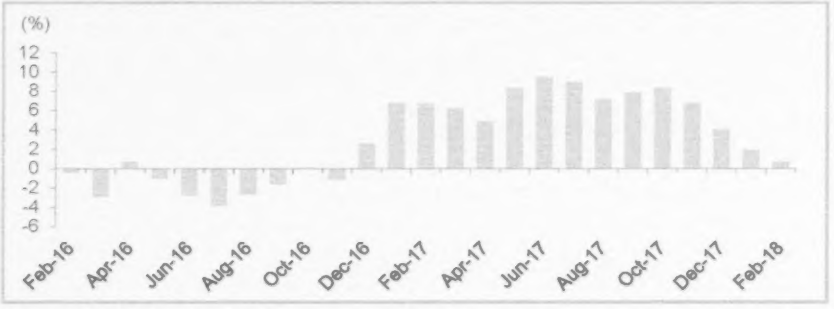
[1] Seasonally adjusted

Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact

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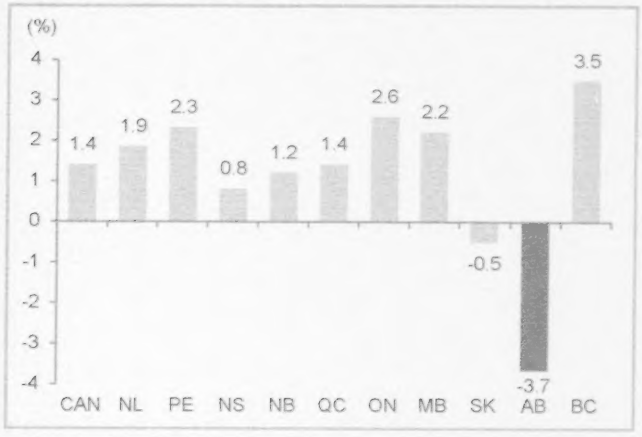
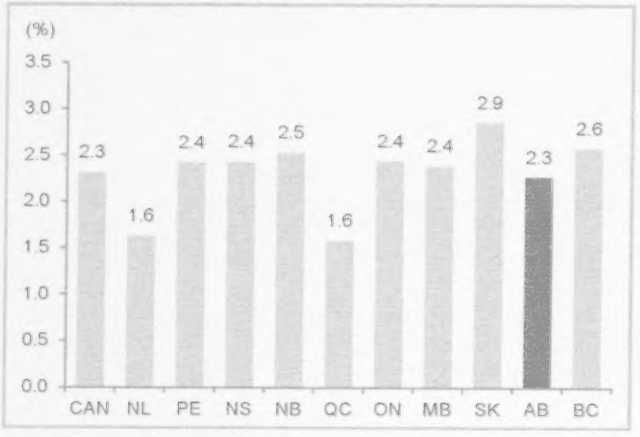
	Canadian Dollar (US¢/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (April 19, 2018)	79.16	68.29	2.66	1.76 (February)
Fiscal year-to-date	78.85	65.37	2.70	1.84 (2017-18)

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

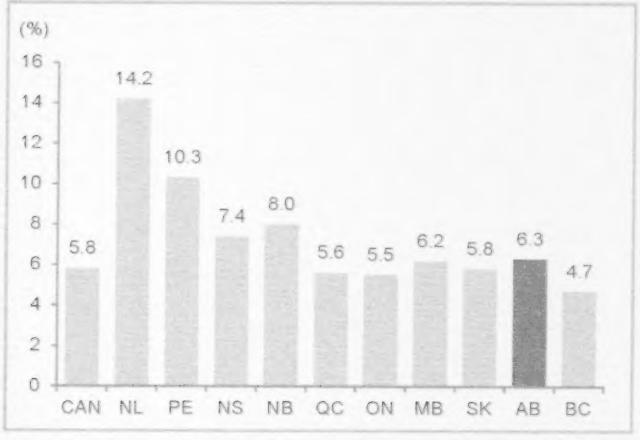
Real GDP by Expenditure
(2016, year-over-year growth)



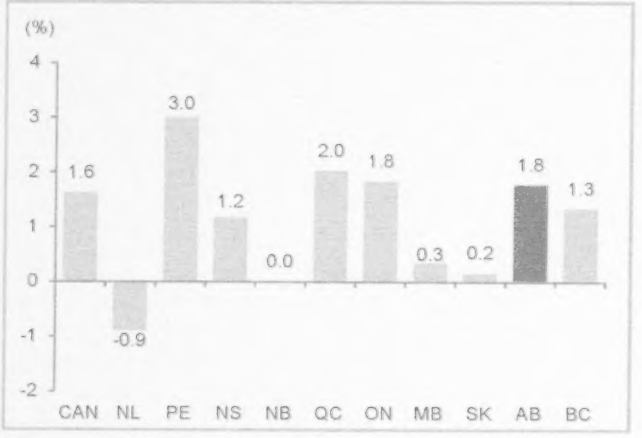
CPI Inflation
(March 2018, year-over-year growth)



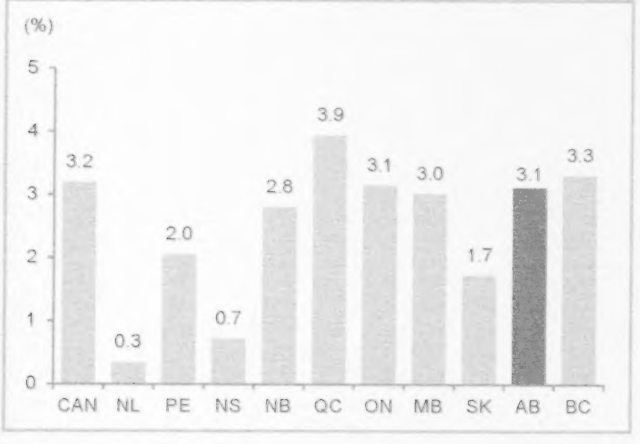
Unemployment Rate
(March 2018)



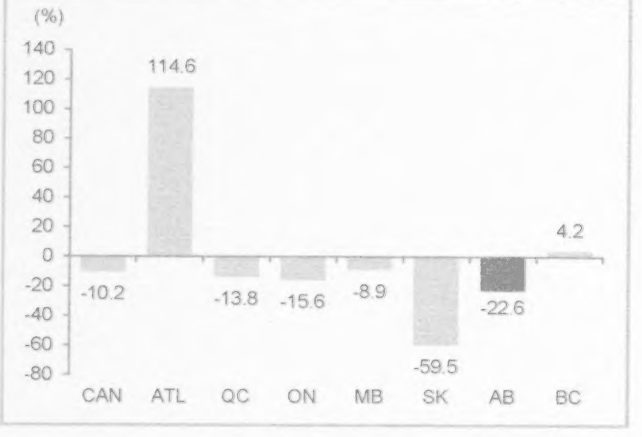
Employment
(March 2018, year-over-year growth)



Average Weekly Earnings
(January 2018, year-over-year growth)



Housing Starts
(March 2018, SAAR, year-over-year growth)



Alberta Economic Indicators

	2016	2017	2018YTD	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Alberta Activity Index (y/y % change)	-4.4	5.1	4.4	5.4	3.9	3.6	4.4		
Population[1]									
Population (thousands)	4,236	4,286	4,319	4,306			4,319		
y/y % change	1.4	1.2	1.4	1.3			1.4		
Net Interprovincial Migration	-15,108	-15,131	1,045	743			302		
Net International Migration	42,102	39,210	15,660	10,363			5,297		
Labour Market									
Employment (thousands, SA)	2,264	2,287	2,319	2,293	2,300	2,330	2,315	2,317	2,325
m/m change (thousands)				10.5	7.1	29.4	-5.9	2.3	8.5
y/y % change	1.6	1.0	1.9	0.6	1.5	2.4	2.0	2.0	1.8
Unemployment Rate (%, SA)	8.1	7.8	6.7	7.6	7.3	7.0	7.0	6.7	6.3
Participation Rate (%, SA)	72.5	72.4	72.0	72.2	72.1	72.4	72.2	71.9	71.9
Average Weekly Earnings ($, SA)	1,119	1,130	1,147	1,141	1,147	1,149	1,147		
y/y % change	-2.4	1.0	3.1	3.3	2.9	1.5	3.1		
Household Sector									
NEW Retail Sales ($ million, SA)	74,997	80,318	13,433	6,829	6,749	6,678	6,728	6,705	
y/y % change	-1.1	7.1	1.3	8.3	6.5	4.0	1.9	0.7	
NEW New Vehicle Sales (units, thousands)	224	249	31	20	19	16	16	15	
y/y % change	-7.6	11.3	-0.8	17.4	-0.6	0.5	7.5	-6.3	
NEW Consumer Price Index (y/y % change)	1.1	1.6	1.9	1.3	2.5	2.0	1.4	2.2	2.3
Excluding Food & Energy	1.7	1.1	1.2	0.9	1.4	1.1	1.0	1.4	1.3
Housing Starts (SAAR, 000's)	24.5	29.5	25.2	29.6	34.6	23.2	25.1	23.7	27.0
y/y % change	34.2	20.1	-5.4	16.0	37.3	11.4	34.4	-10.9	22.6
New Housing Price Index (y/y % change)	0.5	-0.2	-0.1	0.4	0.4	0.1	0.1	-0.2	
Resale Home Sales	54,800	57,161	13,777	4,507	4,755	5,678	5,003	4,512	4,262
y/y % change	-7.6	4.3	-6.2	9.9	11.5	17.8	3.9	-11.1	-11.1
Sales to New Listing Ratio	0.50	0.49	0.49	0.47	0.50	0.56	0.54	0.49	0.42
MLS Average Resale Prices ($ thousands)	397	398	393	399	387	386	395	396	388
y/y % change	0.3	0.4	-1.4	0.2	-3.2	-4.6	0.9	0.2	-3.5
Consumer Bankruptcies (level)	5,427	5,008	383	450	403	350	383		
y/y % change	26.8	-7.7	-2.0	2.3	-14.3	12.7	-2.0		
Business Sector									
Goods Exports (customs based,$ million)	79,213	100,156	18,041	8,400	8,527	8,993	10,131	7,911	
y/y % change	-14.3	26.4	8.3	18.9	8.5	13.4	19.2	-3.0	
Energy Products ($ million)	51,594	69,519	13,094	5,733	5,904	6,418	7,512	5,582	
y/y% change	-17.5	34.7	7.7	23.1	6.9	15.8	22.0	-6.9	
Agricultural Products ($ million)	6,284	7,315	1,118	741	654	607	676	441	
y/y % change	2.9	16.4	3.3	35.4	7.1	9.6	7.8	16.4	
Rigs Drilling	79	131	184	133	143	155	197	211	142
y/y% change	34.0	66.0	2.9	31.3	32.4	2.9	0.9	12.4	-4.0
NEW Manufacturing Shipments ($ million, SA)	62,703	71,343	12,431	6,066	6,174	6,232	6,193	6,238	
y/y% change	-8.0	13.8	9.1	15.1	12.3	11.5	9.6	8.7	
Wholesale Trade ($ million, SA)	71,765	79,420	6,847	6,796	6,754	6,857	6,847		
y/y% change	9.6	10.7	10.1	15.1	13.6	11.3	10.1		
Building Permits ($ million, SA)	14,200	14,245	2,386	1,007	1,288	1,130	1,111	1,276	
y/y% change	-15.2	0.3	0.0	-52.8	18.1	35.4	-11.9	13.2	
Residential Permits ($ million, SA)	7,930	8,400	1,535	607	715	760	696	839	
y/y % change	-19.7	5.9	16.8	58.8	12.6	69.7	8.2	25.1	
Non-Residential Permits ($ million, SA)	6,270	5,845	851	401	574	371	414	437	
y/y% change	-8.8	6.8	20.7	39.4	25.7	-4.3	-32.8	-4.3	
Non-Res. Building Const. Price Index[2] (y/y % change)	-2.8	0.5				1.2			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate. All annual data is unadjusted.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada). All historical data are subject to revision